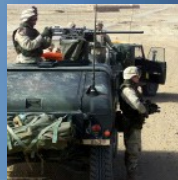




# DoD RFID Policy

November 2, 2004



Alan Estevez | Assistant Deputy Under Secretary of Defense  
(Supply Chain Integration)

# Why we need RFID . . .



**Visibility is Critical to Effective Logistics Support**



# Policy Scope

Active RFID – freight containers, air pallets

- *SAVI 433 Mhz readers*
- *SAVI tags*
- *DoD tag data formats*



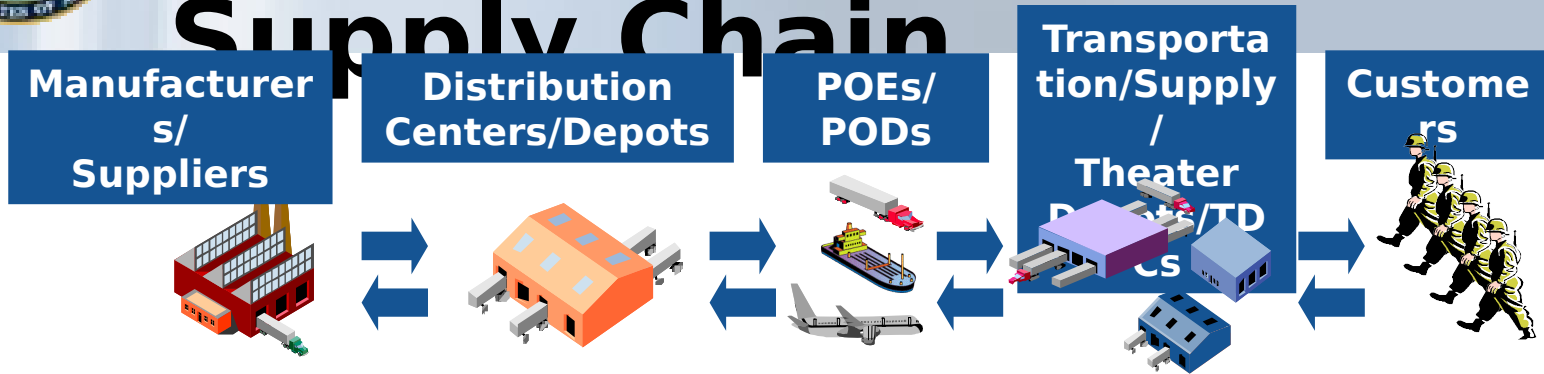
Passive RFID – case, pallet, UID it packaging

- *EPC std UHF readers*
- *EPC Class 0 & 1 std tags*
  - *Migration to EPC UHF Gen 2 std*





# Benefits across the Supply Chain



*Initial benefit areas*

- Improve Intransit and Asset Visibility
- Improve Shipping/Receiving/Transportation Timeliness
- Improve Shipping/Receiving/Transportation Accuracy

Reduced Costs

Improved Inv Mat

Improved Inventory Mgt

*Other benefit areas*

Improved Labor Productivity

Pipeline Reduction

Reduced Pipeline

Reduce NISs

Speed Payment Process

Eliminates dup

Automated Receipt and Acceptance

Automated Rece

Reduce Shrinkage

Reduce Shrinkage

**Demand/ Information Flow**



# Next Steps

- **Publish DFARS Rule for passive RFID**
- **Work within DoD on implementation...**
  - **Two major sites in 2005: Susquehanna & San Joaquin Dist Centers**
  - **Other major sites in 2006**
- **Work with Industry on implementation...**
  - **Next DoD Summit February 9-10, 2005**
  - **Outreach/education through conferences, industry associations and website ([www.dodrfid.org](http://www.dodrfid.org))**
  - **Suppliers Guide (see [www.dodrfid.org](http://www.dodrfid.org))**



# Challenges ahead...

- **State of the technology**
  - Currently accepting first generation EPC tags
  - EPC/Industry working on EPC Gen 2 tag
- **Varying degrees of readiness for implementation**
  - Some companies already shipping tagged materiel
  - Other companies still learning about the technology
- **Business process changes**
  - Shipping and receiving
  - Visibility of assets in repair



# **We can use your help...**

- **Support standards for RFID**
  - **Consistent approach across all industries**
- **Align your implementation strategy with DoD**
- **Get the word out on RFID**
- **Use the technology...**
  - **Learn by doing**



# The RFID Vision

Implement knowledge-enabled logistics through fully automated visibility and management of assets in support of the warfighter







# Back to the Future

“I think the industry has sold itself on a program that offers so little return that it simply won’t be worth the trouble and expense.”



A Midwestern  
Grocery Chain Executive  
discussing the potential  
of the barcode in 1975\*

“Scanning Hits a Snag,” Progressive Grocer, December 1975, p. 47